

ITEL RAIL

55 Francisco
San Francisco, California 94133
(415) 955-9090
Telex 34234

3-172A160

No. JUN 21 1983

Date

Fee \$ 10.00

ICC Washington, D. C.

RECORDATION NO. 13706-1 Filed 1425

June 16, 1983

Ms. Agatha Mergenovich, Secretary
Interstate Commerce Commission
Washington, D.C. 20423

JUN 21 1983 - 3 11 PM

INTERSTATE COMMERCE COMMISSION

Dear Ms. Mergenovich:

*We think this
may be
13706-I
but please check*

Pursuant to 49 U.S.C. Section 11303(a) and the Interstate Commerce Commission's rules and regulations thereunder, I enclose herewith on behalf of Itel Corporation for filing and recordation under Recordation No. 13706, the Lease Agreement dated May 14, 1982 (the "Lease") between Itel Corporation, Rail Division and the Atchison, Topeka and Santa Fe Railway Company ("Lessee"), which was filed on July 26, 1982 at 1:45 p.m., four counterparts of the following document:

Amendment No. 3 (the "Amendment") dated March 31, 1983 to the Lease between Itel and the Lessee.

The names and addresses of the parties to the aforementioned Amendment are:

1. The Atchison, Topeka and Santa Fe Railway Company
80 East Jackson Boulevard
Chicago, Illinois 60604
2. Itel Corporation, Rail Division
55 Francisco, 7th Floor
San Francisco, California 94133

The equipment covered by this Amendment is five hundred and fourteen (514) 89', 70-ton flatcars, AAR mechanical designation FC, bearing reporting marks SFLC 901000 through SFLC 901294 and SFLC 901481 through SFLC 901699.

Also enclosed is a check in the amount of \$10.00 for the required recording fee.

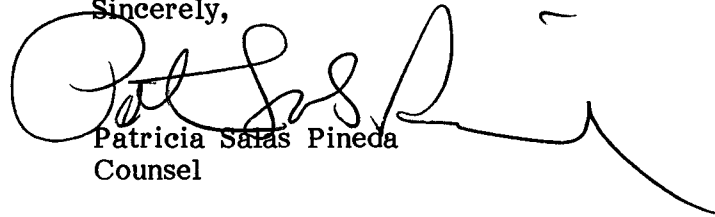
Agatha Mergenovich

C. Deane

Ms. Agatha Mergenovich, Secretary
June , 1983
Page Two

Please stamp all counterparts of the enclosed Amendment with your official recording stamp. You will wish to retain one (1) counterpart of the document for your files; it is requested that the remaining three (3) counterparts be returned to the bearer of this letter.

Sincerely,



Patricia Salas Pineda
Counsel

PSP:dmm
Enclosures

cc: Michael Walsh, Esq.
Weil, Gotshal & Manges
767 Fifth Avenue
New York, New York 10020

Robert S. Clark, Esq.
Senior Trust Officer
First Security Bank of Utah, N.A.
Corporate Trust Division
79 South Main Street
Salt Lake City, Utah 84125

Doug Drummond
Itel Corporation

13706-I
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4/21/83

RECORDATION NO. 13706-1 Filed 1425

JUN 21 1983 -3 00 PM

AMENDMENT NO. 3

INTERSTATE COMMERCE COMMISSION

THIS AMENDMENT NO. 3 (the "Amendment") to that certain Lease Agreement (the "Agreement") dated May 14, 1982 between ITEL CORPORATION, RAIL DIVISION ("Lessor") and THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY ("Lessee") is made this 31st day of March, 1983 between Lessor and Lessee.

W I T N E S S E T H :

WHEREAS, Lessor and Lessee are parties to the Agreement, pursuant to which five hundred fourteen (514) flatcars ("Car(s)") described on Equipment Schedule Nos. 1, 2 and 4, attached to and incorporated into the Agreement, have been leased and delivered by Lessor to Lessee.

WHEREAS, Lessor and Lessee desire to extend the term of the Agreement.

WHEREAS, Lessee desires to modify structurally three hundred fifty (350) of the Cars.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, the parties hereto agree to amend the Agreement as follows:

1. All terms defined in the Agreement shall have their defined meanings when used in this Amendment.
2. Sections 2.B. and 2.C. shall be deleted in their entirety and replaced with the following:

"2.B. This Agreement shall be extended through and including October 31, 1984 (the "Extended Term"). Lessor or Lessee may further extend this Agreement by written notice delivered to the other party not less than sixty (60) days prior to the end of the Extended Term, provided that such extension is mutually agreed upon."

3. Lessee shall, at no cost to Lessor, move to a shop on Lessee's railroad line three hundred fifty (350) of the Cars bearing the reporting marks SFLC 901100-901244, SFLC 901000-901049, and SFLC 901545-901699. Lessee shall, at Lessor's expense, modify each of the said three hundred fifty (350) Cars ("350 Cars") in accordance with Lessor's instructions so that the Cars, when modified, will be equipped to handle two (2) forty-five foot (45') trailers. Concurrent with the modification of the 350 Cars, Lessee shall execute a Certificate of Modification (in the form of Exhibit A attached hereto) specifying, with respect to each modified Car, the dates such Car was in shop for modification. Such Certificates of Modification shall become attached to and incorporated into the Agreement. Each of the 350 Cars shall be removed from the rental calculations set forth in Section 6 of the Agreement for the period of time each such Car is in shop for modifications as referenced herein.

LESSOR'S INTEREST ASSIGNED TO
FIRST SECURITY BANK OF
UTAH, N.A., WITH RESPECT TO
CARS NUMBERED SFLC 901000-

901244; 901481-901699

ASSIGNED TO FIRST SECURITY BANK
OF UTAH, N.A., TRUSTEE, UNDER
A LEASE ASSIGNMENT DATED
AS OF MAY 14, 1982

4. Sections 6.A. and 6.B. shall be deleted and replaced by the following Sections 6.A. and 6.B. which shall be effective with respect to each Car on the earlier of either (i) 12:01 a.m. on the 1st day of the calendar month following the month in which the expiration date of the Initial Term of the Agreement with respect to such Car occurs, or, if applicable (ii) 12:01 a.m. on the 1st day of the calendar month following the month in which such Car is modified so as to handle two (2) forty-five foot (45') trailers ("Effective Hour"):

"6. Rent

A. The following definitions are provided for the purpose of determining those amounts which Lessee agrees to pay to Lessor hereunder:

- (i) "On-Line Utilization Rate" of the Cars shall be determined by a fraction, the numerator of which is the aggregate number of hours in each calendar month that the Cars were on Lessee's railroad line commencing from the Effective Hour, and the denominator of which is the aggregate number of hours in each calendar month that the Cars are on lease to Lessee, commencing from the Effective Date.
- (ii) "Fixed Rent I", with respect to any calendar month in which the On-Line Utilization Rate is greater than or equal to eighty percent (80%), shall be \$0.5208 per Car for each hour such Car is on Lessee's railroad line.
- (iii) "Fixed Rent II", with respect to any calendar month in which the On-Line Utilization Rate is greater than or equal to seventy-five percent (75%) but less than eighty percent (80%), shall be \$0.50 per Car for each hour such Car is on Lessee's railroad line.
- (iv) "Fixed Rent III", with respect to any calendar month in which the On-Line Utilization Rate is greater than or equal to seventy percent (70%) but less than seventy-five percent (75%), shall be \$0.4583 per Car for each hour such Car is on Lessee's railroad line.
- (v) "Fixed Rent IV", with respect to any calendar month in which the On-Line Utilization Rate is greater than or equal to sixty-five percent (65%) but less than seventy percent (70%), shall be \$.4375 per Car for each hour such Car is on Lessee's railroad line.
- (vi) "Fixed Rent V", with respect to any calendar month in which the On-Line Utilization Rate is greater than or equal to sixty percent (60%) but less than sixty-five percent (65%), shall be \$0.4167 per Car for each hour such Car is on Lessee's railroad line.
- (vii) "Fixed Rent VI", with respect to any calendar month in which the On-Line Utilization Rate is greater than or equal to fifty-five percent (55%) but less than sixty percent (60%), shall be \$0.3958 per Car for each hour such Car is on Lessee's railroad line.

- (viii) "Fixed Rent VII", with respect to any calendar month in which the On-Line Utilization Rate is greater than or equal to fifty percent (50%) but less than fifty-five percent (55%), shall be \$0.375 per Car for each hour such Car is on Lessee's railroad line.
- (ix) "Fixed Rent VIII", with respect to any calendar month in which the On-Line Utilization Rate is less than fifty percent (50%), shall be \$0.3542 per Car for each hour such Car is on Lessee's railroad line.
- (x) "First Rent Date" shall be the fifteenth (15th) day of the month immediately following the calendar month in which the Effective Hour occurs.
- (xi) "Last Rent Date" shall be the fifteenth day of the month immediately following the calendar month in which the "Termination Date" (as defined in Section 2.D.) occurs.
- (xii) "Revenues" shall be the total revenues earned and due from other railroad companies for the use and handling of the Cars, including, but not limited to, per diem and mileage, whether or not collected and received by Lessee and without regard to any claimed abatement, reduction or offset. Upon the occurrence of any such abatement, reduction or offset, Lessee shall, within thirty (30) days of Lessor's request, reimburse Lessor for such amounts.

B. Lessee agrees to pay the following rent to Lessor for the use of the Cars:

- (i) On the First Rent Date, an amount equal to the applicable Fixed Rent (with respect to the prior month) multiplied by the number of on-line hours from and including the Effective Hour to and including the last hour of the month in which such Effective Hour occurs;
- (ii) For the fifteenth (15th) day of each month thereafter, to and including the calendar month in which the Termination Date occurs, an amount equal to the applicable Fixed Rent (with respect to the prior month) multiplied by the number of on-line hours in the prior month;
- (iii) On the Last Rent Date, an amount equal to the applicable Fixed Rent (with respect to the prior month) multiplied by the number of on-line hours in the prior month; and
- (iv) Within five (5) months after the Service Month (as hereinafter defined), an amount equal to the difference between the amount actually paid by Lessee to Lessor pursuant to Sections 6.B.(i), 6.B.(ii) and 6.B.(iii) herein and the amount calculated to be the applicable Fixed Rent multiplied by the actual number of on-line hours for such Service Month. For the purposes hereof, Service Month shall be defined as the calendar month in which the Cars earn Revenues under the terms of the Agreement.

- (v) Within ninety (90) days after the end of each Service Month (as hereinabove defined), an amount equal to the Revenues earned by the Cars for such Service Month.

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5. The parties agree that all rights and obligations of Lessor may be assigned to Itel Rail Corporation upon confirmation of a Plan of Reorganization for Itel Corporation by the United States Bankruptcy Court Northern District of California or by another court of competent jurisdiction, and that upon such assignment and upon the assumption of Itel Rail Corporation of all of Itel Corporation's obligations hereunder, Itel Corporation is hereby released from all liabilities hereunder without further action by the parties and Itel Rail Corporation shall assume all such obligations without further action by the parties.
6. Except as expressly modified by this Amendment, all terms and provisions of the Agreement shall remain in full force and effect.
7. This Amendment may be executed by the parties hereto in any number of counterparts and all said counterparts taken together shall be deemed to constitute one and the same instrument.

ITEL CORPORATION,
RAIL DIVISION

By: *Edward J. Deen*

Title: *President*

Date: *5-23-83*

THE ATCHISON, TOPEKA AND SANTA FE
RAILWAY COMPANY

By: *A. G. Ruegg*

Title: EXECUTIVE VICE PRESIDENT

Date: May 13, 1983

L-0462

EXHIBIT A
CERTIFICATE OF MODIFICATION

<u>Car Number</u>	<u>Date/Hour</u> <u>Shop</u> <u>Arrival</u>	<u>Date/Hour</u> <u>Shop</u> <u>Departure</u>	<u>Car Number</u>	<u>Date/Hour</u> <u>Shop</u> <u>Arrival</u>	<u>Date/Hour</u> <u>Shop</u> <u>Departure</u>
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The Atchison, Topeka and Santa Fe
Railway Company
Authorized Representative

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO) ss:

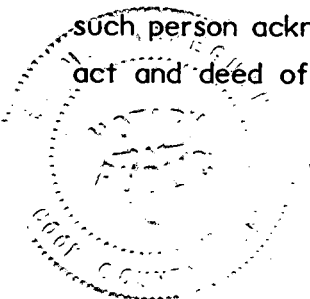
On this 4th day of May, 1983, before me personally appeared Edward M. O'Dea, to me personally known, who being by me duly sworn says that such person is President of Itel Corporation, Rail Division, that the foregoing Amendment No. 3 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Randi C. Smith
Notary Public

STATE OF ILLINOIS)
)
COUNTY OF COOK) ss:

On this 13th day of May, 1983, before me personally appeared D. G. RUEGG, to me personally known, who being by me duly sworn says that such person is EXECUTIVE VICE PRESIDENT of The Atchison, Topeka and Santa Fe Railway Company, that the foregoing Amendment No. 3 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



D. G. Ruegg
Notary Public